

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

MINERALS PROGRAMM

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

May 17, 1989

Mr. Bob Schuppe and Mr. Merril Shumway 4 Orchard Way Moab, Utah 84532

Dear Messrs. Schuppe and Shumway:

Re: Red Rock Mine Status, M/037/050, San Juan County, Utah

The Division plans to carry through with forfeiture procedures regarding the Red Rock Mine surety bond. The bond issue will be heard at the August 24, 1989 Board meeting.

After the bond is released to the Division, we plan to reclaim as much of the Red Rock site as the bond money will allow. We will leave portions of the site unreclaimed only if another operator wants to assume responsibility for the remaining reclamation. Since you are now the legal claim holder, you may want to consider becoming the responsible party. You will need to file a Small Mine Operations Notice of Intent form with us by June 30, 1989. I have enclosed the form you will need for that purpose.

Be sure to indicate on the form which areas of the site you wish to maintain. Currently, we plan to reclaim everything above the main pad and the waste dumps. The decline can be left but must be adequately gated, to keep out the public. Any remaining ore piles of value, you might want to designate to us for nonreclamation. The waste dumps will be reclaimed as they present a hydrologic hazard in their present configuration.

Thank you for your attention.

Sincerely,

Holland Shepherd

Reclamation Specialist

jb Enclosure cc: Barbara Roberts Lowell Braxton

MN5/102

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